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January 25, 2011

VIA E-FILING & FEDERAL EXPRESS

Honorable Madeline Cox Arleo
United States District Court
District of New Jersey
Martin Luther King, Jr. Federal Building and Courthouse
50 Walnut Street, Room 2060
Newark, New Jersey 07102

Re: Picatinny Federal Credit Union v. Federal National Mortgage Association
Civil Action No. 09-cv-01295-GEB-MCA ("*Picatinny*")

Dear Judge Arleo:

This firm represents defendant Federal National Mortgage Association ("Fannie Mae). We write in response to Picatinny's January 21, 2011 submission requesting leave to belatedly take the deposition of former Fannie Mae employee, Harriet Wolff. Because Picatinny's submission unfortunately mischaracterizes the record, Fannie Mae finds it necessary to set the record straight.

Fact discovery in the Picatinny matter has been complete since November 1, 2010. Fannie Mae was surprised, therefore, when, on January 19, 2011 - - two and one-half months after the close of fact discovery - - Picatinny sought to take the deposition of Ms. Wolff. Fannie Mae has been extremely cooperative in arranging for the numerous depositions of current and former Fannie Mae employees requested by Picatinny both before and, in one instance, after what was supposed to be the final fact discovery deadline had passed. Ms. Wolf, however, is a non-party whose involvement in this matter has been known to Picatinny for at least 16 months. If Picatinny wanted to depose Ms. Wolff, it should have done so many months ago. Picatinny made a judgment call not to depose her. It is not entitled to a do over because it regrets that decision.

Picatinny's claims that Fannie Mae was obligated to formally identify Ms. Wolff prior to serving its Third Amended Initial Disclosures and that Fannie Mae purportedly "slipped" Ms. Wolff's name into that disclosure, are patently incorrect. The standard for identifying individuals pursuant to Fed. R. Civ. P. 26(a)(1)(A)(i) is whether such individuals are "likely to have information . . . that the disclosing party may use to support its claims or defenses." Ms.

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Wolff was not, initially, a witness likely to have discoverable information that Fannie Mae might use in support of its defenses. Ms. Wolff had nothing to do with Fannie Mae's purchase of Picatinny mortgage notes through Picatinny's agent, U.S. Mortgage. To the contrary, it was not until Picatinny made clear its allegation that Fannie Mae's 2005 audit of U.S. Mortgage was a supposed "red flag" that might defeat Fannie Mae's holder in due course status, that Fannie Mae concluded that Ms. Wolff was a person Fannie Mae might call at trial.[1] Even then, it was and is Fannie Mae's position that the 2005 audit and Ms. Wolff's role in it are legally irrelevant because they have nothing to do with Fannie Mae's acquisition of Picatinny notes from U.S. Mortgage. Nevertheless, in the interest of caution, Fannie Mae amended its Initial Disclosures to include Ms. Wolff. *See* Ex. A hereto. The notion that Fannie Mae somehow "slipped" Ms. Wolff's name into that disclosure, is, in a word, nonsense. Fannie Mae listed its current and former Fannie Mae employees in alphabetical order, followed by U.S. Mortgage's employees. Because Ms. Wolff's last name ends with the letter "W," her name appeared at the end of the list of Fannie Mae employees. Notably, Nick Figlo's name also appeared in Fannie Mae's Third Amended Initial Disclosure and, as this Court is aware, Picatinny requested the opportunity to depose him and Fannie Mae consented. That Picatinny did not, apparently, read Fannie Mae's disclosures closely enough is hardly a sufficient basis to reopen fact discovery, particularly where, as here, the parties' cross-motions for summary judgment are pending.[2]

Finally, Picatinny's assertion that Picatinny was "led to believe that Harriet Wolff was not someone with significant relevant information" (January 21, 2011 letter from J. Lorell to Judge Arleo, pp. 2, 5) is flatly contradicted by the record.

Ms. Wolff's name first appeared in this case no later than September 23, 2009, when Fannie Mae produced documents relating to the 2005 audit. Ms. Wolff was expressly identified as the custodian of documents included in that production. *See* September 23, 2009 letter from R. Brown to J. Forte, transmitting Fannie Mae document production including documents maintained by custodian Harriet Wolff, Ex. B hereto. Moreover, her name, and her role in the 2005 audit, was repeatedly mentioned during the depositions of numerous Fannie Mae witnesses, including Bob Lis (1/15/10), Alex Saphos (3/25/10), and Conor Thies (3/11/10) - - all of which occurred long before the close of fact discovery.

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[1] Neither Picatinny's Complaint, initial disclosures or interrogatory responses make any mention of the 2005 audit or remotely suggest that Picatinny considered the audit relevant to its claims in this case. Nor did any of Picatinny's multiple sets of interrogatories to Fannie Mae call for the identification of witnesses with knowledge of the facts generally or of the 2005 audit in particular.

[2] "Oversights" prejudicial to Fannie Mae have become a habit on Picatinny's part. Its January 21 submission attaches the report of Fannie Mae's expert, Michael Mayer. Although the report is clearly marked "Confidential" (because it quotes from and relies upon confidential documents produced by Fannie Mae), Picatinny never contacted Fannie Mae, as it was required to do under the terms of this Court's Protective Order, to advise Fannie Mae that Picatinny intended to file documents designated by Fannie Mae as Confidential. Because Picatinny's submission has been available on the ECF system since last Friday, there is little point, at this late juncture, in Fannie Mae moving to seal.

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More significant, however, is the fact that Picatinny counsel James Forte directly called Ms. Wolff on *March 7, 2010* - - without notice to Fannie Mae's counsel. Mr. Forte initially contended in March 2010 that he asked Ms. Wolff at the outset of the call whether she was represented by or had been in contact with counsel for Fannie Mae and ended the discussion when she said she wanted to consult with Fannie Mae's attorney. *See* March 7, 2010 emails from J. Forte to R. Brown, Exs. C and D hereto. Ms. Wolff denied that assertion and has advised counsel for Fannie Mae that Mr. Forte did not inquire about whether she was represented by counsel until the conclusion of their telephone conversation. *See* March 8, 2010 email from Ms. Brown to J. Forte attached as Ex. E hereto. Notably, Picatinny's counsel now claims that Mr. Forte spoke to Ms. Wolff long enough to determine she did not recall the 2005 audit. Apparently, he then decided not to make any attempt to refresh her recollection at a deposition - - a decision he now would make differently.

Picatinny should not now be permitted to retract that decision, long after the close of fact discovery, to the detriment of Fannie Mae and a non-party. Picatinny long ago exceeded its limit of 10 fact witness depositions.[3] Summary judgment briefs have been filed. Oppositions are due on January 31, and the motions are returnable on February 22. The time for fact depositions has long since passed.[4] Accordingly, Picatinny's request for leave to belatedly depose Ms. Wolff should be denied.

Respectfully submitted,

Alan E. Kraus
of LATHAM & WATKINS LLP

Attorneys for Federal National Mortgage Association

cc: Counsel of Record

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[3] In total, Picatinny has taken 14 fact depositions.

[4] Picatinny will not be prejudiced if Ms. Wolff's deposition is not allowed to proceed. Picatinny is, of course, free to question Mr. Mayer regarding his conversations with Ms. Wolff, during his expert deposition, which has yet to be scheduled. That other credit unions may (or may not) choose to depose Ms. Wolff does not entitle Picatinny to ask her questions.

EXHIBIT A

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

PICATINNY FEDERAL CREDIT UNION, Plaintiff, v. FEDERAL NATIONAL MORTGAGE ASSOCIATION, Defendant.	Case No.: 2:09-cv-01295-JAG-MCA The Honorable Joseph A. Greenaway, Jr., U.S.D.J. The Honorable Madeline C. Arleo, U.S.M.J.

DEFENDANT FEDERAL NATIONAL MORTGAGE ASSOCIATION'S THIRD AMENDED INITIAL DISCLOSURES PURSUANT TO RULE 26(a)

Pursuant to Rule 26(a) of the Federal Rules of Civil Procedure, Defendant Federal National Mortgage Association ("Fannie Mae"), provides the following amended initial disclosures. Fannie Mae's investigation is ongoing and these initial disclosures are based upon the information reasonably available to Fannie Mae at this time. Fannie Mae reserves the right to remove from these disclosures any witness or category of documents if it learns or concludes that the information known to such witness, or contained in such documents, is not discoverable. Fannie Mae reserves the right to make additional disclosures, including the identification of witnesses or documents not identified below, to reflect information subsequently acquired through its continuing investigation and discovery in this action.

Rule 26(a)(1)(A): Individuals likely to have discoverable information that Fannie Mae may use to support its defenses include:

Nick Figlo: Mr. Figlo is a former servicing manager at Fannie Mae. Fannie Mae believes that Mr. Figlo is likely to have knowledge relating to

	the follow-up conducted by Fannie Mae in response to a complaint received by a representative of Cross Valley Credit Union that certain loans were not funded for a lengthy period of time. Specifically, Fannie Mae believes that Mr. Figlo has knowledge relating to Fannie Mae's testing of certain loans to determine when investors were being paid by U.S. Mortgage for loans that U.S. Mortgage had sold to Fannie Mae. Contact Information: c/o Latham & Watkins
Jozsef Lajtai:	Mr. Lajtai is a business analyst in Investor Reporting at Fannie Mae. U.S. Mortgage was one of the accounts within his responsibility. Fannie Mae believes that Mr. Lajtai is likely to have knowledge about the servicing of Fannie Mae loans by U.S. Mortgage. Contact Information: c/o Latham & Watkins
Bob Lis:	Mr. Lis is the Director of Counterparty Risk at Fannie Mae. Fannie Mae believes that Mr. Lis is likely to have knowledge relating to U.S. Mortgage maintaining eligibility as a seller/servicer. Contact Information: c/o Latham & Watkins
Vivian Pitts:	Ms. Pitts is a Counterparty Risk Manager at Fannie Mae. U.S. Mortgage Corp. was one of the accounts within her responsibility. Fannie Mae believes that Ms. Pitts is likely to have knowledge about the U.S. Mortgage's trading activities. Contact Information: c/o Latham & Watkins
Alex Saphos:	Mr. Saphos is a Customer Account Manager in Sales & Marketing at Fannie Mae. U.S. Mortgage Corp. was one of the accounts within his responsibility. Fannie Mae believes that Mr. Saphos is likely to have knowledge about the business relationship between Fannie Mae and U.S. Mortgage. Contact Information: c/o Latham & Watkins
Debra Thompson:	Ms. Thompson is the Director of Operations Processing at Fannie Mae. Fannie Mae believes that Ms. Thompson is likely to have knowledge relating to the: E-Commit System, the web-based application for committing single family loans; the Loan Delivery system, the web-based application that allows lenders to submit loans to Fannie Mae in fulfillment of whole loan commitments and

pool purchase contracts and the polices and procedures for determining eligibility of loans to be sold to Fannie Mae; and the process and procedures for Fannie Mae's receipt, review and storage of original notes, allonges and assignments of mortgage and certification of individual loans submitted to Fannie Mae for sale by lenders through the E-Commit system, the web-based application for committing single family loans.

Contact Information: c/o Latham & Watkins

Harriet Wolf: Ms. Wolf is a former servicing consultant at Fannie Mae. U.S. Mortgage was one of the accounts within her responsibility. Fannie Mae believes that Ms. Wolff is likely to have knowledge relating to the follow-up conducted after the 2005 Audit of U.S. Mortgage.

Contact Information: c/o Latham & Watkins

Ronald Carti: Mr. Carti was a Vice President at U.S. Mortgage. Fannie Mae believes that Mr. Carti is likely to have knowledge relating to: the sale of loans originated by U.S. Mortgage on behalf of Picatinny and subsequently sold to Fannie Mae; U.S. Mortgage's authority to sell certain loans originated by U.S. Mortgage on behalf of Picatinny to Fannie Mae; and Fannie Mae's lack of knowledge that certain loans originated by U.S. Mortgage on behalf of Picatinny were sold to Fannie Mae without Picatinny's knowledge.

Contact Information: Unknown.

Michael McGrath: Mr. McGrath was the Chief Executive Officer of U.S. Mortgage. Fannie Mae believes that Mr. McGrath is likely to have knowledge relating to: the sale of each loan originated by U.S. Mortgage on behalf of Picatinny Federal Credit Union ("Picatinny") and subsequently sold to Fannie Mae; U.S. Mortgage's authority to sell certain loans originated by U.S. Mortgage on behalf of Picatinny to Fannie Mae; and Fannie Mae's lack of knowledge that certain loans originated by U.S. Mortgage on behalf of Picatinny were sold to Fannie Mae without Picatinny's knowledge.

Contact Information: Unknown.

Fannie Mae believes that the following individuals are likely to have knowledge relating to the sale of each loan originated by U.S. Mortgage on behalf of Picatinny and subsequently sold to Fannie Mae and U.S. Mortgage's authority to sell certain loans originated by U.S. Mortgage on behalf of Picatinny to Fannie Mae: Ronald Carti; Bill Darling; Stephen Lardiere; Dan Matthews; John Kuskin; Kimberlee Colaiacovo; Brenda Williams; Veronica Cassidy; Judy Mancero; Penny Mosser; Linda Ramos and Diedre Walker. Contact Information: Unknown.

Fannie Mae believes the following individuals are likely to have knowledge relating to notarization of the signatures on the assignments of mortgage for the loans originated by U.S. Mortgage on behalf of Picatinny and subsequently sold to Fannie Mae: Suzanne Maria Cavaluzzo; Dianna Cortes; Rose Marie Vargo; Lucille A. Flatt; Nancy Agnello; Tina Ziemba; Jeffrey L. Sawyer; Debra Borys; John Kuskin and Candace Schuman. Contact Information: Unknown.

Rule 26(a)(1)(B): Fannie Mae has in its possession documents, data compilations, and tangible things described by category below that it may use to support its defenses in this action. A description by category of documents within the scope of Rule 26(a)(1)(B) include:

- Fannie Mae's policies and procedures relating to the sale by approved lenders and purchase by Fannie Mae of Single Family Loans.
- Mortgage Selling and Servicing Contract ("Master Contract") and Amendments to the Master Contract between Fannie Mae and U.S. Mortgage.
- Communications between or among employees, representatives and agents of Fannie Mae and employees, representatives and agents of U.S. Mortgage relating to the sale of Single Family Loans by U.S. Mortgage to Fannie Mae.
- Data compilations and documents from Fannie Mae's E-Commit system, Loan Delivery system, Acquisitions Reporting Database (ARDM) and systems related to loan accounting.
- Fannie Mae has already produced to Plaintiff copies of all the notes, allonges and assignments of mortgage in its possession for each loan originated by U.S. Mortgage on behalf of Picatinny Federal Credit

Union and subsequently sold. The original notes, allonges and assignments of mortgage are located in a vault in Fannie Mae's offices in Herndon, Virginia.

Fannie Mae is in the process of determining the location of the documents in the aforementioned categories. Fannie Mae believes that most, if not all, of the documents are located in Fannie Mae's offices in Washington, D.C., Herndon, Virginia, or Philadelphia, Pennsylvania.

Rule 26(a)(1)(C): Not applicable at this time.

Rule 26(a)(1)(D): A copy of Policy Number FD0805034 which Fannie Mae believes to be applicable to the claims in this action is attached hereto.

Dated: August 18, 2010

Respectfully submitted,

LATHAM & WATKINS LLP

By: [signature]

Alan E. Kraus (AK 3263)
LATHAM & WATKINS LLP
One Newark Center
Newark, New Jersey 07101
(973) 639-1234

Attorney for Federal National Mortgage Association

EXHIBIT B

Rebecca K. Brown
Direct Dial: 973-639-7260
rebecca.brown@lw.com

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September 23, 2009

File No. 042262-0040

VIA EMAIL/HAND DELIVERY
James H. Forte, Esq.
Saiber LLC
One Gateway Center, 13th Floor
Newark, NJ 07102-5311

Re: ***Picatinny Federal Credit Union v. Federal National Mortgage Association***
Civil Action No. 09-1295 (JAG)

Dear Jim:

Enclosed please find four CDs containing additional documents produced in response to Picatinny's First and Second Requests for the Production of Documents. A description of the categories of documents on the CDs is provided below.

The first CD contains six attachments that were inadvertently omitted from the CD that was delivered to your office on September 15, 2009. The Bates numbers include a suffix so that you can insert the attachments in their proper order following the parent document. The six documents are as follows:

- FNMA-USM-COMM-000000007.001
- FNMA-USM-COMM-000000008.001
- FNMA-USM-COMM-000000008.008
- FNMA-USM-COMM-000000008.557
- FNMA-USM-COMM-000000008.573
- FNMA-USM-COMM-000000008.008
- FNMA-USM-DOYS-000000007.

The remaining CDs contain documents from various custodians. The Bates ranges and custodian names are listed below. The first CD contains the following documents:

- FNMA-USM-BREB-000000001 – FNMA-USM-BREB-000000460: Documents from custodian Bill Brewster.
- FNMA-USM-COOA-000000001 – FNMA-USM-COOA-000000015: Documents from custodian Anita Cooper.

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- FNMA-USM-DELR-000000001 – FNMA-USM-DELR-000000927: Documents from custodian Rhonda Deluca.
- FNMA-USM-GRED-000000001 – FNMA-USM-GRED-000000002: Documents from custodian David Greene.
- FNMA-USM-JARN-000000001: Document from custodian Nancy Jardini.
- FNMA-USM-MCGP-000000001 – FNMA-USM-MCGP-000000103: Documents from custodian Pete McGonigle.

The second CD contains the following documents:

- FNMA-USM-FERM-000000001 – FNMA-USM-FERM-000012416: Document from custodian Michael Ferkol.
- FNMA-USM-HSIA-000000001 – FNMA-USM-HSIA-000000003: Documents from custodian Anna Hsieh.
- FNMA-USM-MCBK-000000001 – FNMA-USM-MCBK-000000015: Documents from custodian Karen Mcbarnette.

The third CD contains the following documents:

- FNMA-USM-SAPA-000000001 – FNMA-USM-SAPA-000005777: Documents from custodian Alex Saphos.
- FNMA-USM-TAVL-000000001 – FNMA-USM-TAVL-000003517: Documents from custodian Lori Tavana.
- FNMA-USM-TSER-000000090: Document from custodian Ruth Tsen.
- FNMA-USM-WOLH-000000001 – FNMA-USM-WOLH-000000168: Documents from custodian Harriet Wolf.

Thank you.

Sincerely,

Rebecca K. Brown /KB

Rebecca K. Brown
of LATHAM & WATKINS LLP

Enclosure
cc: Michael Geraghty (by email w/o enclosure)

EXHIBIT C

Hausmann, Keena (NJ)

From: James H. Forte [JForte@saiber.com]
Sent: Sunday, March 07, 2010 7:59 PM
To: Brown, Rebecca (NJ)
Cc: Jeff Lorell; Kraus, Alan (NJ)
Subject: Harriet Wolff

Rebecca,

The e-mails that Fannie Mae produced revealed that Harriet Wolff retired from Fannie Mae in the late summer or early fall of 2007. I was able to locate her in Pennsylvania and called her this evening. During our discussion, I advised her that I (or someone else would my office) would like to interview her concerning her knowledge of, among other things, the U.S. Mortgage/Fannie Mae relationship. I further advised her that the inhouse counsel for Fannie Mae assigned to this matter was Miriam Smolen and provided her with your name if she wished to speak with either Miriam or you before appearing for an interview. She stated that she would give Miriam or you a call. If, after the call, your office will be representing Ms. Wolff, please let me know. Thanks.

Jim

****

This e-mail and any documents accompanying this e-mail may contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this e-mail. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, or the taking of any action in reliance on the contents of this e-mail information, is strictly prohibited and that the documents should be returned to Saiber LLC immediately. In this regard, if you have received this e-mail in error, please notify us by return e-mail or telephone (973-622-3333) immediately, delete the e-mail and all attachments and destroy all hard copies of same.

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EXHIBIT D

Hausmann, Keena (NJ)

From: James H. Forte [JForte@saiber.com]
Sent: Monday, March 08, 2010 1:59 PM
To: Brown, Rebecca (NJ)
Cc: Jeff Lorell; Kraus, Alan (NJ); Maria, David (DC)
Subject: RE: Harriet Wolff

Rebecca,

Other than the fact that I contacted Ms. Wolff without first advising you, there is little in your e-mail that is factually accurate.

I assume you have not spoken with Ms. Wolff because, if you had, you would know that I specifically asked her at the beginning of our conversation whether she had been in contact with anyone at Fannie Mae concerning this matter, and she said she had not. Ms. Wolff did not appear upset nor uncomfortable speaking with me; indeed, I was the one who ended the call and requested that she speak with Ms. Smolen or you. I called Ms. Smolen on a Sunday evening because I assumed that she may still be working. Would you have preferred I call her on a Friday evening as opposed to a Sunday evening?

You also mention a "practice" about working through counsel to speak to former employees. Correctly stated, the "practice" has been to work through counsel to arrange for the depositions of any former employees whom have been noticed for deposition. Ms. Wolff was not noticed for deposition and may well not be deposed. Therefore, there was no need to work through your office to arrange to speak with her.

Finally, your deposition counting is inaccurate and your list omitted Ms. Tavana whose deposition I have noticed and advised you would need to be taken. Each side receives 10 depositions with, as you have advised, all Rule 30(b)(6) witnesses treated as one deposition. I have deposed as Rule 30(b)(6) witnesses Mr. Gang and Mr. Lis and will depose Mr. Thies this week and the person with knowledge of the fact underlying Fannie Mae's decision not to honor my February 2009 demand letter. One of the categories in the initial Rule 30(b)(6) (then under the state court counterpart) notice was "Fannie Mae's review of the Document Submission Packages received in connection with its purchase of the Assigned Loans," an area which Mr. Gang admitted he did not prepare because he did not speak with any of the document certifiers. Given that Fannie Mae did not produce a representative with knowledge on this issue, I am forced to depose the document certifiers who fall within the Rule 30(b)(6) notice initially served.

In any event, I have not yet deposed Ms. Hinton or Ms. Feng. Until they are deposed, they obviously do not count toward the total number of depositions.

Finally, I have reviewed the internal reports that you have provided relating to the document certification group within Fannie Mae. The reports are so general in nature that I require the backup documents for those reports. Please produce those documents and provide deposition dates for the witnesses over whom Fannie Mae does have control, i.e., Ms. Kane, Ms. Pitts, Ms. McBarnette, Ms. Tavana and Ms. Thompson.

James H. Forte

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Email: jforte@saiber.com | my profile | www.saiber.com

Florham Park | Newark | New York | Atlantic City | Point Pleasant Beach

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From: Rebecca.Brown@lw.com [mailto:Rebecca.Brown@lw.com]
Sent: Monday, March 08, 2010 1:16 PM
To: James H. Forte
Cc: Jeff Lorell; Alan.Kraus@LW.com; David.Maria@lw.com
Subject: RE: Harriet Wolff

Jim,
I was disappointed to receive your email late last night. Ms. Wolff was understandably upset and uncomfortable with you calling her. Calling her on a Sunday evening and telling her what Mr. Saphos and other witnesses said about her and what her emails "revealed" is unfair to her and inappropriate. Even more inappropriate is the fact that you did not begin the call by asking Ms. Wolff if she was represented by or had been in contact with counsel for Fannie Mae, either external or internal. I understand that it was not until the very end of the call that you even mentioned Miriam or me. And, in fact, upon mentioning this, Ms. Wolff told you then that she wanted to speak with Fannie Mae before talking any further with you. This is how the call should have begun.

With respect to former employees, we have shown each other the courtesy of allowing counsel to first contact them to determine whether they choose to be represented. The fact that you were able to determine from emails we have produced that Ms. Wolff retired from Fannie Mae in 2007 is irrelevant and should not have changed that practice. We knew that Mr. Baumann no longer worked for Picatinny, however, we did not contact him without first going through you. By this email, I request that you speak with us before contacting any of Fannie Mae's former employees. If you will refuse to do so, please let me know so I can contact them and warn them of your potential call.

I assume that your request for an interview of Ms. Wolff stems from the fact that you have exceeded your 10 depositions. In fact, by my count, you will need to choose someone to drop from your list because you have already exceeded 10 requests -- 30(b)(6), Saphos, Lajtai, Cushman, Groom, Kane, Pitts, McBarnette, Snavely, Hinton and Feng.

In any event, we will not consent to an interview of Ms. Wolff. If you would like to drop someone from your notice and depose her instead, please let me know. We will also object to any attempt to add additional 30(b)(6) categories as a means of deposing additional witnesses. Thank you.

Rebecca K. Brown

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Fax: +1.973.639.7298
Email: rebecca.brown@lw.com
www.lw.com

From: James H. Forte [mailto:JForte@saiber.com]
Sent: Sunday, March 07, 2010 7:59 PM
To: Brown, Rebecca (NJ)
Cc: Jeff Lorell; Kraus, Alan (NJ)
Subject: Harriet Wolff

Rebecca,

The e-mails that Fannie Mae produced revealed that Harriet Wolff retired from Fannie Mae in the late summer or early fall of 2007. I was able to locate her in Pennsylvania and called her this evening. During our discussion, I advised her that I (or someone else would my office) would like to interview her concerning her knowledge of, among other things, the U.S. Mortgage/Fannie Mae relationship. I further advised her that the inhouse counsel for Fannie Mae assigned to this matter was Miriam Smolen and provided her with your name if she wished to speak with either Miriam or you before appearing for an interview. She stated that she would give Miriam or you a call. If, after the call, your office will be representing Ms. Wolff, please let me know. Thanks.

Jim

****

This e-mail and any documents accompanying this e-mail may contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this e-mail. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, or the taking of any action in reliance on the contents of this e-mail information, is strictly prohibited and that the documents should be returned to Saiber LLC immediately. In this regard, if you have received this e-mail in error, please notify us by return e-mail or telephone (973-622-3333) immediately, delete the e-mail and all attachments and destroy all hard copies of same.

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Latham & Watkins LLP

EXHIBIT E

Hausmann, Keena (NJ)

From: Brown, Rebecca (NJ)
Sent: Monday, March 08, 2010 6:27 PM
To: 'James H. Forte'
Cc: 'Jeff Lorell'; Kraus, Alan (NJ); Maria, David (DC)
Subject: RE: Harriet Wolff

Jim,

We have spoken to Ms. Wolff on several occasions, including after your call to her last night. She is confident that she did not tell you that she had not been in contact with anyone at Fannie Mae, and she further maintains that you did not ask her any such questions about contacts with Fannie Mae or representation until the end of the call.

The "practice" of working through counsel has only related to employees who have been noticed for deposition because we noticed various witnesses for deposition based on their involvement in the relevant matters as reflected in the documents. Unlike you, we did not first try to contact former employees, without the courtesy of notifying company counsel, in an effort to elicit information in an ex parte environment to determine if we should or should not depose them. For example, instead of noticing Mr. Baumann for deposition, we certainly could have called him without informing you and solicited his opinions on Picatinny, the audits, and U.S. Mortgage (or anything else). We did not do so. Had we, though, the first question we asked most definitely would have been whether he was represented by you or had been in contact with Picatinny regarding matters relating to U.S. Mortgage.

Your argument is also somewhat circular. Because you did not first notice a former employee for deposition, this had the practical effect of ensuring that the former employee was not formally "represented," as there would be no need for a former employee to be represented unless he or she was involved in the litigation (i.e., had been noticed for deposition). Please let us know if you intend to take this approach going forward, and we will plan accordingly in terms of reaching out to former employees.

As to your contention that the certifiers specifically named and noticed for deposition constitute 30(b)(6) witnesses as opposed to fact witnesses, we respectfully disagree. You specifically named them as fact witnesses, and we have not offered them as 30(b)(6) witnesses in response to any of your 30(b)(6) requests. We produced John Gang on this issue, and, for certain areas, we have agreed to produce Debra Thompson. We have complied fully with our obligations under Rule 30(b)(6) regarding your request for a witness familiar with "Fannie Mae's review of the Document Submission Packages received in connection with its purchase of the Assigned Loans." If you intend to dispense with the deposition of one of the certifiers, please let us know as soon as possible.

Rebecca K. Brown

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From: James H. Forte [mailto:JForte@saiber.com]
Sent: Monday, March 08, 2010 1:59 PM
To: Brown, Rebecca (NJ)
Cc: Jeff Lorell; Kraus, Alan (NJ); Maria, David (DC)
Subject: RE: Harriet Wolff

Rebecca,

Other than the fact that I contacted Ms. Wolff without first advising you, there is little in your e-mail that is factually accurate.

I assume you have not spoken with Ms. Wolff because, if you had, you would know that I specifically asked her at the beginning of our conversation whether she had been in contact with anyone at Fannie Mae concerning this matter, and she said she had not. Ms. Wolff did not appear upset nor uncomfortable speaking with me; indeed, I was the one who ended the call and requested that she speak with Ms. Smolen or you. I called Ms. Smolen on a Sunday evening because I assumed that she may still be working. Would you have preferred I call her on a Friday evening as opposed to a Sunday evening?

You also mention a "practice" about working through counsel to speak to former employees. Correctly stated, the "practice" has been to work through counsel to arrange for the depositions of any former employees whom have been noticed for deposition. Ms. Wolff was not noticed for deposition and may well not be deposed. Therefore, there was no need to work through your office to arrange to speak with her.

Finally, your deposition counting is inaccurate and your list omitted Ms. Tavana whose deposition I have noticed and advised you would need to be taken. Each side receives 10 depositions with, as you have advised, all Rule 30(b)(6) witnesses treated as one deposition. I have deposed as Rule 30(b)(6) witnesses Mr. Gang and Mr. Lis and will depose Mr. Thies this week and the person with knowledge of the fact underlying Fannie Mae's decision not to honor my February 2009 demand letter. One of the categories in the initial Rule 30(b)(6) (then under the state court counterpart) notice was "Fannie Mae's review of the Document Submission Packages received in connection with its purchase of the Assigned Loans," an area which Mr. Gang admitted he did not prepare because he did not speak with any of the document certifiers. Given that Fannie Mae did not produce a representative with knowledge on this issue, I am forced to depose the document certifiers who fall within the Rule 30(b)(6) notice initially served.

In any event, I have not yet deposed Ms. Hinton or Ms. Feng. Until they are deposed, they obviously do not count toward the total number of depositions.

Finally, I have reviewed the internal reports that you have provided relating to the document certification group within Fannie Mae. The reports are so general in nature that I require the backup documents for those reports. Please produce those documents and provide deposition dates for the witnesses over whom Fannie Mae does have control, i.e., Ms. Kane, Ms. Pitts, Ms. McBarnette, Ms. Tavana and Ms. Thompson.

James H. Forte

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From: Rebecca.Brown@lw.com [mailto:Rebecca.Brown@lw.com]
Sent: Monday, March 08, 2010 1:16 PM
To: James H. Forte
Cc: Jeff Lorell; Alan.Kraus@LW.com; David.Maria@lw.com
Subject: RE: Harriet Wolff

Jim,
I was disappointed to receive your email late last night. Ms. Wolff was understandably upset and uncomfortable with you calling her. Calling her on a Sunday evening and telling her what Mr. Saphos and other witnesses said about her and

what her emails "revealed" is unfair to her and inappropriate. Even more inappropriate is the fact that you did not begin the call by asking Ms. Wolff if she was represented by or had been in contact with counsel for Fannie Mae, either external or internal. I understand that it was not until the very end of the call that you even mentioned Miriam or me. And, in fact, upon mentioning this, Ms. Wolff told you then that she wanted to speak with Fannie Mae before talking any further with you. This is how the call should have begun.

With respect to former employees, we have shown each other the courtesy of allowing counsel to first contact them to determine whether they choose to be represented. The fact that you were able to determine from emails we have produced that Ms. Wolff retired from Fannie Mae in 2007 is irrelevant and should not have changed that practice. We knew that Mr. Baumann no longer worked for Picatinny, however, we did not contact him without first going through you. By this email, I request that you speak with us before contacting any of Fannie Mae's former employees. If you will refuse to do so, please let me know so I can contact them and warn them of your potential call.

I assume that your request for an interview of Ms. Wolff stems from the fact that you have exceeded your 10 depositions. In fact, by my count, you will need to choose someone to drop from your list because you have already exceeded 10 requests -- 30(b)(6), Saphos, Lajtai, Cushman, Groom, Kane, Pitts, McBarnette, Snavely, Hinton and Feng.

In any event, we will not consent to an interview of Ms. Wolff. If you would like to drop someone from your notice and depose her instead, please let me know. We will also object to any attempt to add additional 30(b)(6) categories as a means of deposing additional witnesses. Thank you.

Rebecca K. Brown

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From: James H. Forte [mailto:JForte@saiber.com]
Sent: Sunday, March 07, 2010 7:59 PM
To: Brown, Rebecca (NJ)
Cc: Jeff Lorell; Kraus, Alan (NJ)
Subject: Harriet Wolff

Rebecca,

The e-mails that Fannie Mae produced revealed that Harriet Wolff retired from Fannie Mae in the late summer or early fall of 2007. I was able to locate her in Pennsylvania and called her this evening. During our discussion, I advised her that I (or someone else would my office) would like to interview her concerning her knowledge of, among other things, the U.S. Mortgage/Fannie Mae relationship. I further advised her that the inhouse counsel for Fannie Mae assigned to this matter was Miriam Smolen and provided her with your name if she wished to speak with either Miriam or you before appearing for an interview. She stated that she would give Miriam or you a call. If, after the call, your office will be representing Ms. Wolff, please let me know. Thanks.

Jim

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